United States
Department of
Agriculture

Office of
Governmental
and Public Affairs

Major News Releases and Speeches

May 29-June 5, 1981

Speeches

U.S. Department of Agriculture • Office of Governmental and Public Affairs

Remarks by Under Secretary of Agriculture Seeley G. Lodwick before the Congress of The European Feed Manufacturers Federation in Munich, West Germany, June 3, 1981.

It is appropriate that my first speaking engagement in Europe as a member of the Reagan Administration agricultural team is with this group.

I came to Washington from the State of Iowa. I was born in Illinois. Those two states together produce one-third of all the soybeans and two-fifths of all the corn and hogs produced in the United States. So I feel at home with people from the feed industry.

I bring you greetings from Secretary of Agriculture Block, who is himself a former agricultural producer and director of agriculture of the state of Illinois.

The Secretary is in The Hague today, meeting with our agricultural counselors posted in Europe, Africa and the Middle East. They are discussing agricultural trade and his message to them is the same message that I bring you: this Administration views long- term, sustainable export growth as the No. 1 priority for U.S. agriculture, and it believes that world trade based on comparative advantage and freer movement of goods offers the best solution to food problems in a world of rising populations, rising expectations and limited agricultural resources.

Our farm programs and policies are based on this philosophy. President Reagan affirmed this when he lifted the embargo on agricultural sales to the Soviet Union. It is evident in the Administration's approach to U.S. agricultural policies for the future.

Domestically, we have proposed legislation to increase the orientation toward the marketplace that has marked U.S. farm programs during the past decade.

Our objective is to reduce the role of government in agriculture to the minimum. Our programs are designed to put more decisions into the hands of the farmer himself and to permit him to be competitive in

the world market while insuring him against some of the economic risks of a hazardous business.

These legislative proposals are export-oriented. They are oriented toward the world market. Secretary Block set the tone when he adjusted the existing price supports for U.S. grains upward early this spring. He did so mindful not only of the farmer's rising costs but also of the need to compete fairly in the world market.

Foreign markets are essential to the health and growth of the U.S. farm economy. U.S. farmers depend directly on exports for one-fourth of their marketing income and for some commodities the dependence is higher. One-third of U.S. corn, for example, and over half the wheat and soybeans move into export.

Therefore, it is not surprising that this administration intends to pursue, and pursue aggressively, international policies that will liberalize, rather than restrict, trade in agricultural products.

As major producers of agricultural products, the United States and the EC share responsibility for world leadership in agricultural trade--a responsibility to help achieve a more open and market-response trading system built on principles of efficiency and equity--principles that underlie the GATT.

For our part, we intend to work as closely as we can with the European Community and our other trading partners to see that the agreements reached in the Tokyo Round of Multilateral Trade negotiations work fairly and effectively. We intend to keep the commitments made by the U.S. in the MTN and in earlier agreements. We expect our partners to do the same. We want to cooperate with our trading partners to use the codes that were negotiated in the MTN, particularly those on subsidies and standards, to make progress toward a more rational trading system and as a basis for cooperation in the resolution of trade problems.

We will view proposals for international agreements in the context of our own agricultural policy, which is to help American farmers compete effectively in markets at home and abroad. Multilateral commodity arrangements that set prices and assign stocks or divide up markets run counter to this purpose.

We are mindful, of course, of the need for world food security and stable world markets. However, we believe that this can best be achieved by market-oriented policies.

We are also skeptical about the usefulness of bilateral agreements, except in very special cases. We believe that they may actually promote greater market instability and restrict world market growth to the detriment of developed and developing countries alike.

The U.S. agreement with the Soviet Union, a country which has the potential to totally disrupt the world market, is one of those special cases. Another might be China, with whom the previous administration signed a minimum supply agreement, and we are aware of the special needs of our neighbor to the south, Mexico.

But a major aim of this administration's policy is to be a dependable supplier to all potential customers--not a privileged few. U.S. agricultural production has expanded significantly over the past 10 years--a gain of 75 percent in the output of wheat and 36 percent in coarse grains in response to foreign demand. We have the capacity for continued growth to meet the needs of the future.

American farmers will commit larger areas to crop production if they have the incentives of price and market opportunity. For every two U.S. hectares used for crops, there is almost one more hectare in temporary pasture, conservation or other uses that could be diverted to crops. Unused capacity in the United States is about equal to the total area in grains in the European Community.

This is just one reason that we are confident of our ability to reliably meet requirements of our traditional customers in Europe and Japan while supplying emerging markets in the developing countries and China and Eastern Europe.

Among these markets, the Community is our oldest and most valued customer. But it is more than that. Strong ethnic ties and a common heritage draw the United States to the countries of the Community. We share common goals of freedom and plenty in a stable world for our citizens and we are working together toward those goals in many international bodies in which we share membership.

As the two largest traders in the world, we can do even more to further those goals if we approach the day-to-day business of trade in a spirit of cooperation--not confrontation.

The world's consumers are becoming increasingly dependent on agricultural trade. In some countries trade is necessary to maintain comfortable standards of living; in a few, it can mean life itself.

In view of this, the United States is deeply concerned at the protectionist tendencies that are surfacing with renewed vigor as countries struggle with problems of energy, inflation and balances of trade and payments.

We are concerned that export subsidies, import restrictions and other devices advanced to solve these problems can heighten instability in world trade and curtail its growth at a time when a sound, growing international agricultural trading system is more important than ever before.

If this trend is to be reversed, the United States and European Community must take the lead. Together, we account for about one-half of world agricultural trade.

Unfortunately, the Community appears to be moving in the opposite direction. We have two general concerns with the EC approach to trade and the first of these is its policy in relation to competition with U.S. products in third country markets.

The EC has, for example, adopted an increasingly aggressive wheat and wheat flour export policy, using subsidies to dispose of surplus grain in world markets. Most recently, it has targeted key U.S. markets in Latin America and in China, where the Commission has authorized an additional subsidy above that provided to other destinations.

This is occurring despite EC assurances that it would carefully monitor its exports and its pledge of restraint in exporting to markets sensitive to the United States. Subsidized wheat exports are projected to increase by some 4 million tons in the current marketing year.

Now the Community is discussing the adoption of a similar, intensified export policy for other key agricultural products. This would use subsidies, long-term bilateral agreements and special credit arrangements to dispose of agricultural surpluses of all kinds in the world market.

Such a plan would impact directly on U.S. exports, particularly grains and poultry, and it would put genuine strain on the trade relations between us. While we do not question the Community's right under the Subsidy Code to use subsidies, we cannot acquiesce in its use

to expand the EC's share of the world market at the expense of our farmers, who must compete without any direct assistance in the world market. It is only natural that our Congress is pressing us to use retaliatory subsidies but a costly subsidy war would not be in our mutual interest.

I should point out here that the United States has some difficulty in reconciling the EC's need for a surplus disposal program, in grain at least, given its stocks position in relation to those of other countries and given the EC's commitments to improved world food security.

Although a major grain exporter, the EC maintains carryover stocks at about the same relative level as those held by many developing countries. This is disappointing to us and to other wheat trading countries--importers and exporters alike.

Our second general concern is what appears to be an increasing threat to access to the EC market for U.S. agricultural products.

We are disturbed by pressures to limit imports of non-grain feed ingredients, particulary corn gluten feed, an issue of direct interest to the European feed manufacturing industry. Citing the growth in imports of corn gluten and fears that rising output of ethanol and corn sweetener production in the United States will sharply increase imports, EC circles are considering unbinding the zero duty bound in the GATT.

The Community's fears are unfounded. The technology of producing isoglucose corn sweetener is such that even with an increased isoglucose output, corn gluten production will not increase. As for ethanol, this administration has given a very low priority to gasohol production, rescinding $500 million of the $525 million in loans authorized by the previous administration.

The reason for the increase in U.S. exports of corn gluten to the EC is simply market price. Corn gluten prices in the United States currently are about 25 percent higher than those for domestic corn, while the price of corn gluten in the EC is as much as 20 percent below EC corn prices. U.S. production has only increased moderately but domestic utilization has declined dramatically as available supplies have been drawn into export channels.

With an export trade in non-grain feed ingredients valued at $600-700 million last year at stake, the United States would be forced to

move decisively to defend its trade interests if the EC were to act to restrict our market opportunities.

Of even greater importance to the United States is our export trade with the Community in soybeans, which is worth almost $4 billion a year. Yet even this trade appears to be threatened, which would strike at the very foundation of our trading relationship.

The EC once again is exploring the possibility of imposing some form of tax or even a variable levy on vegetable fats and oils.

Similar measures have been proposed in the EC before, and now are being raised in the context of EC enlargement to include Spain. Each time, we have vigorously protested that any restriction, such as a tax, would nullify our duty bindings on soybeans and soybean products. We will protest again and will have no choice but to respond appropriately if protests are not enough. No other issue has so great a potential for seriously undermining our trade with the Community.

While we support Spanish entry, as we have supported the creation and enlargement of the Community from the beginning, we expect that the Community alone will bear the cost of any economic adjustments which will occur. We realize that internal adjustments are painful but this is the only acceptable option for a responsible trading partner.

The United States views the binding on soybeans and soy products as inviolable, and any action to impair this $4 billion export can only lead to severe trade repercussions.

Those are some of the issues that are of serious concern to this administration as we consider the future of trade relations between the United States and the EC.

Given domestic pressures, no nation can keep its border completely open to trade. We face heavy protectionist pressures from certain agricultural constituencies in our own country. We are aware of them and we are resisting them to the best of our ability. We know the Community faces similar pressures; and we understand the difficult decisions they present.

But governments can, and in the view of this administration, should, make every effort to keep open the channels of trade--to solve internal problems internally and not in the world market. And this is especially incumbent upon the major trading nations, such as the European Community and the United States. We must set the example

for the proper conduct of world trade by resisting internal protectionist forces.

The Reagan Administration is dedicated to more open world markets and freer trade to permit the most efficient growth in agricultural production in response to the demands of markets throughout the world. It will respect the trade commitments of the United States--past, present and future. The United States will adhere to the rules of the GATT and it will work with its trading partners toward further liberalization of agricultural trade.

It expects other countries to do the same.

#

Remarks by Secretary of Agriculture John R. Block before the U.S. Agricultural Attache Conference, The Hague, The Netherlands, June 3, 1981.

I welcome the opportunity to speak with you today. Agricultural counselors, attaches and trade officers and the work they do are not new to me. I have met many of you before. As director of the Illinois Department of Agriculture, I traveled to many of your posts and saw first hand the excellent work that you do on behalf of the American farmer.

Now, as Secretary of Agriculture, I value you and your efforts even more. The 31 posts you cover represent $20 billion in U.S. farm trade. I depend on you to supply me with information I need to make decisions regarding foreign competitors, foreign trade and domestic farm programs. I count on you to carry out the Administration's plans for export expansion. And I look to you to advise me on how we can help the U.S. farmer sell even more of his products overseas.

President Reagan's economic program recognizes that the ability to trade is one of our super strengths. The economic program focuses on market orientation, less government regulation and greater freedom for the economy to work. Government intervention in agricultural markets should be reduced and trade should be allowed to expand freely. Basic

to this is continued growth in agricultural exports, which are now more important than ever to farm income.

But while I, as Secretary, can talk about export expansion, it is you at your posts and representatives of private business who actually do the expanding. You are in the front line of our export effort.

We are developing specific plans.

One will enlist federal, state and private organizations in an intensified program to establish a stronger U.S. posture in trade policy matters.

Trade protectonism is always with us, and it is becoming more of a threat in some areas. Because of this, we have to be increasingly watchful of restrictionist actions in other countries. We will have to work together toward greater industry-government cooperation to identify objectionable trade policies and devise strategies to deal with them.

Also, we are developing a new program aimed at expanding markets for U.S. processed and semi-processed agricultural products. This program will concentrate on promotion of products that have both a high degree of further processing and a high content of raw agricultural equivalent commodity.

This new approach will focus primarily on developing countries with high per capita incomes--the OPEC countries and a few others. These countries have the foreign exchange to pay for processed agricultural commodities and generally lack the facilities to process the product domestically.

Another strategy for boosting agricultural sales overseas is an intensified campaign to expand grain exports. The recent embargo on U.S. farm exports to the Soviet Union generated a competitive threat from other grain-producing nations that have stepped up their production. To counter this, we have targeted five countries believed to represent growing market potential for grain sales--Algeria, Brazil, Chile, China and Morocco. Other countries and other commodities will be added to the program as plans are developed.

The first step in this new program will be high-level consultations with officials from these countries -- both at home and abroad. Our goal is to beat the competition by expanding trade servicing, improving

credit programs and setting up specific marketing plans to move specific amounts of grain during the 1981-82 marketing year.

These are just a few of the plans we have in the works. But key to the success of any program we devise is the work of our agricultural representatives overseas. Thanks largely to your efforts, agricultural exports are the cornerstone of our agricultural economy. But future efforts must be intensified. Increased competition, changing markets and restrictionist and protectionist trends in foreign trade are making your jobs even more important and difficult.

I am proud of your efforts and your commitment to serving the U.S. farmer overseas and expanding his markets. I am confident that your achievements, as great as they are now, are just a hint of what is yet to come.

#

SHIFT IN U.S. TRADE POLICY TOLD

PARIS, May 29--U.S. Agriculture Secretary John R. Block said in Europe this week that the United States will no longer tolerate protectionist trade policies by other exporting nations. He also said the United States does not expect to continue shouldering the responsibility of maintaining a reserve for the world.

Speaking before the World Food Council in Yugoslavia, Block emphasized the need for developed and developing countries to begin creating their own food reserves. He said the United States has taken the lead on a reserve policy but it cannot continue to carry the burden alone. However, he stressed the United States is not in favor of any form of international coordination or control of such a reserve.

In Brussels and London, Block warned of U.S. determination to resist Common Market trade policies that he considered unfair, illegal or contrary to earlier agreements. He specifically mentioned the European Community's export subsidies on wheat and other products, plus the Community's effort to tax vegetable oils or restrict imports of non-grain feed ingredients (corn gluten).

"My message to these nations was firm but not unreasonable," Block said after arriving in Paris. "It was a signal to the world that under this administration, the United States is shifting toward greater reliance on the market and on individual responsibility among nations."

While in Brussels, Block also received assurance that the European Community would honor the U.S. right to supply 10,000 tons of high quality beef duty-free to that market. U.S. officials had been concerned that the Community might not honor this right.

Block is scheduled to return to the United States on June 4.

#

USDA TO BEGIN PRINTING DAILY MAILED MEAT TRADE REPORT JUNE 1

WASHINGTON, May 29--The U.S. Department of Agriculture will begin printing a daily mailed report about wholesale carlot trading on beef, pork, lamb and veal beginning June 1, a USDA official said today.

The report will be issued from Des Moines and mailed to the first 5,000 producers and livestock marketing firms who request it, said Thomas H. Porter, an official of USDA's Agricultural Marketing Service.

"This is the first national daily mailed report on carlot trade of all red meat issued in the 65-year history of USDA livestock market news," Porter said. "The report will emphasize boxed meat sales because of a shift in trading trends from carcasses or primal cuts to fabricated cuts."

The report also will include daily federally inspected slaughter estimates, meat production statistics and carcass cutout values for beef and pork. It is designed to aid producers and others in the livestock and meat industry in making marketing decisions.

"As an economy measure, distribution will be limited to the first 5,000 persons who request the service," said Porter. "We'll keep a waiting list of requests beyond the 5,000. It may become necessary to charge a handling and mailing fee for the report."

The Meat Trade Report may be requested from: Livestock Market News, AMS, USDA, Federal Building, rm. 767, 210 Walnut St., Des Moines, Iowa, 50309.

#

USDA REPORTS THREE NEW SCREWWORM CASES IN TEXAS, FIVE FOR YEAR

WASHINGTON, June 1--Three cases of screwworms have been found in Presidio county, Texas, according to a U.S. Department of Agriculture official. Two previously reported cases in the United States in March this year were also in Texas, with one each in El Paso and Sutton counties.

"The three newly reported cases are more than we've had in the past two years," said Floyd Smith, staff veterinarian for screwworm eradication with USDA's Animal and Plant Health Inspection Service. He said all three cases were discovered on one ranch 35 miles southwest of Marfa, Texas, so there is potential for a screwworm population buildup.

Smith said a fly-trapping surveillance system is being carried out in Presidio county to help USDA officials determine the extent of screwworms. At the same time, sterile screwworm flies and an attractant-bait-pesticide are being distributed by aerial flights to reduce and finally eradicate any screwworms in the area.

"Ranchers must continue to do a good job of submitting worm samples," said Smith. "They should regularly check their herds and flocks, treat all wounds and collect samples of worms or eggs found in wounds."

Screwworms--the larvae of the screwworm fly--feed on living tissue in the wounds of warm-blooded animals. They have caused significant economic losses to the livestock industry in the past.

A joint Mexico-U.S. program to eradicate the pest has resulted in the number of cases reported in the United States decreasing from nearly 100,000 in 1972 to 5 through May of this year. Sterile flies for the eradication effort are produced at Tuxtla-Gutierrez in southern Mexico.

#

JOHN W. BODE APPOINTED DEPUTY ASSISTANT SECRETARY OF AGRICULTURE

WASHINGTON, June 1-Secretary of Agriculture John R. Block has appointed John W. Bode to be deputy assistant secretary of agriculture for food and consumer services.

Bode, formerly a professional staff member of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry, will serve as deputy to Assistant Secretary of Agriculture Mary C. Jarratt.

Bode will help formulate policy for U.S. Department of Agriculture consumer affairs, nutrition issues and feeding programs, including the

food stamp program, school feeding programs and women, infants and children supplemental feeding program.

Born in Oklahoma City, Okla., Bode was raised in western Oklahoma, where he was involved in his family's grain elevator and farming activities at Geary, Okla.

Bode received a bachelor of arts degree in political science from the University of Oklahoma, Norman. He was student president while he was at the university.

Bode has been on the staff of the U.S. Senate Committee on Agriculture, Nutrition, and Forestry since 1979. Before then he was on the staff of Oklahoma's then-Governor David Boren. From 1977 to 1978 he was a court clerk for Oklahoma City District Court Judge Raymond Naifeh.

Bode is married to Denise Durham and they live in Alexandria, Va.

#

USDA CONCLUDES YEAR-LONG STUDY OF CASEIN IMPORTS; PREPARES RECOMMENDATIONS

WASHINGTON, June 1--Imports of casein, a dairy protein, compete with domestic dairy products in some uses and may affect the cost of the federal dairy price support program, according to a study released today by the U.S. Department of Agriculture.

However, it does not appear that invoking import restrictions would substantially reduce the cost of the dairy price support program, said Assistant Secretary of Agriculture William Lesher. Restricting casein imports by the maximum allowed under law would cause some domestic users to shift to dairy and non-dairy alternatives but would not signficantly increase the use of domestically-produced skim milk solids, he said.

Trends in casein use suggest that the effect of imports on the dairy program could be much greater in the future, he added.

Lesher said the study was begun in May 1980 to help government policymakers in the debate on whether imported dairy proteins displace domestic skim milk solids, thus increasing the cost of the dairy price support program.

Casein is a dairy protein used in various food, feed and industrial products. Since the late 1960's, there has been no domestic production of casein due at least in part to federal price supports for nonfat dry milk and other processed dairy products that have made casein production noncompetitive, Lesher said.

He said those who favor restricting casein imports have proposed taking action under Section 22 of the Agricultral Adjustment Act of 1933. Section 22 allows imposition of a 50 percent tariff or a quota equal to 50 percent of casein imports during a representative period if it is found that imports substantially interfere with the operation of a commodity price support program.

The report, Lesher said, concludes that under a tariff, the use of domestically produced skim milk solids would not increase, while under a quota, many manufacturers would shift to other non-dairy substitutes.

Further, because a 50 percent tariff would not increase commercial disappearance of skim milk solids, it would have no impact on government purchases, Lesher said. A 50 percent quota would cause users to substitute an estimated 10 million pounds of nonfat dry milk and would save the government about $9 million, less than 1 percent of the 1980 dairy price support program costs, he said.

Lesher said copies of the report will be given to USDA policy officials and members of Congress for review. But it may be several weeks before any decisions are reached on the casein import question or before USDA is ready to make recommendations.

Major suppliers of casein to the United States in 1980 included New Zealand (50 percent), Australia (12 percent) and European Community countries (28 percent). USDA estimates the United States imported 152 million pounds of casein in 1980, 128 million pounds were used in manufacturing and processing with 24 million pounds added to inventories.

One third of casein imported in 1980 was used in the manufacture of imitation cheese. Other major uses include animal feed and pet food, coffee whitener, industrial uses and bakery goods.

Single copies of the report, "U.S. Casein and Lactalbumin Imports" (report number AGESS 810521) are available by writing the Food and Agricultural Policy Branch, 120 GHI Bldg., ESS/USDA, 500 12th St., S.W., Washington, D.C., 20250.

#

BLOCK SIGNS U.S.-GERMAN SCIENTIFIC AGREEMENT

BONN, June 1--The United States and West Germany today signed an agreement on scientific cooperation in food, agriculture and forestry. The agreement specifically mentions possible joint research projects in the areas of product storage, nutrition, waste recycling and energy problems.

Secretary of Agriculture John R. Block signed for the United States, and Minister of Agriculture Josef Ertl signed for the Federal Republic of Germany.

"The United States is very interested in working with the West Germans because we feel they have advanced technolgy and knowledge in areas in which we are interested," Block said.

"Some of the research in which we are intersted is very costly," Block said, "and it would be a mistake if it were duplicated. If we can do more of the expensive research together, we will be able to cover more ground and learn a great deal more with resources available to us."

The Federal Republic and the United States have been working together on this project since last fall, Block said. Today's agreement will enable the two nations to begin the exchange of technical teams this summer. Exploratory visits will take place in June and July.

A joint working group on agricultural science and technology will meet in the fall to evaluate the results of the team's visits, review proposals and identify specific areas for cooperation. The joint working group then will meet once a year alternately in the United States and West Germany.

"We feel that these exchanges will benefit both sides from a technical stand point--and also further the friendship between our nations. In addition, the scientific progress we can achieve together will benefit all the peoples of the world," Block said.

Block will travel to The Hague, The Netherlands, Tuesday, the final stop on a 12-day visit to six European countries to foster increased exports of U.S. agricultural products. He is scheduled to return to Washington Thursday.

#

USDA TO COMMEMORATE 75TH ANNIVERSARY OF INSPECTION STAMP

WASHINGTON, June 2--The U.S. Department of Agriculture will hold a ceremony June 10 to commemorate the 75th anniversary of the "U.S. Inspected and Passed" purple inspection stamp that tells consumers the meat they bought has been inspected and passed by USDA.

"Over the years, the USDA inspection mark has given consumers confidence in the meat supply," said Donald Houston, administrator of USDA's Food Safety and Quality Service. "We are proud to commemorate the beginnings of an era in which the United States government joined with industry to provide safe, wholesome and properly labeled meat and poultry."

Guest speakers at the ceremony, which will be held in USDA's Patio, 14th and Independence Ave., S.W., and will begin at 1:30 p.m. are: USDA Deputy Secretary Richard Lyng, Rep. Thomas S. Foley (D-Wash.), Ellen Haas of the Community Nutrition Institute, Hugo Slotkin of John Morrell and Company, and Arnold Mayer of United Food and Commercial Workers International Union.

Special awards will be presented to 8-year-old Cari Ugent and 11-year-old Patricia Powers, first place winners of the FSQS food safety poster contest. They were among the 45,000 students who participated in the poster contest, which emphasized the importance of handling food safely to prevent food poisoning.

"The inspection program has made much progress since 1906 and is working to meet the challenges of an increasingly sophisticated industry," Houston said. "We will continue to modernize inspection to maintain the high level of protection consumers have come to expect without hampering industry productivity."

The Federal Meat Inspection Act, authorizing mandatory USDA meat inspection for wholesomeness and proper labeling, was signed into law June 30, 1906, by President Theodore Roosevelt. The same day, he signed the Pure Food and Drug Act, forerunner of the Food, Drug and Cosmetic Act which is administered by the Food and Drug Administration. Mandatory poultry inspection by USDA was authorized under the Poultry Products Inspection Act of 1957. NOTE TO EDITORS: Photocopies of the USDA inspection stamp are available

from: Photography Center, USDA, Rm. 4423-S, Washington, D.C., 20250. Phone: (202) 447-6633.

#

THYMIAN NAMED TO HEAD USDA'S AGRICULTURAL MARKETING SERVICE

WASHINGTON, June 2--Assistant Secretary of Agriculture C. W. McMillan has named Mildred Pyle Thymian, a 48-year-old Minnesota farmer and senatorial assistant, as administrator of the U.S. Department of Agriculture's Agricultural Marketing Service.

Thymian will head the 2,160-person agency that is concerned with a variety of marketing activities, including: classing and grading of cotton and tobacco; gathering and reporting wholesale market news for various commodities; regulation of packers, stockyards, seed and fruit and vegetable handlers; federal warehouse inspection and licensing; market research and development; and administration of marketing orders for milk, fruits and vegetables.

In 1980 Thymian was the first Republican woman in Minnesota to seek national office when she vied unsuccessfully for Republican endorsement as a candidate for Minnesota's 6th U.S. Congressional district seat.

With her husband Donald, 53, Thymian owns a dairy farm in Ortonville, Minn. Their sons Russell, 24, and Brad, 20, share in managing the family farm.

Thymian was a legislative assistant to Sen. David F. Durenberger (R-Minn.) in his Minneapolis-St. Paul office during 1980 and 1981.

Thymian was born March 4, 1933, in Davis, Ill. She received a bachelors degree in theory of speech communications and human organizations from the University of Minnesota.

She had been vice president of the United Church Board for Homeland Ministries, based in New York, N.Y., since 1975, and previously held various management positions with the organization.

#

BLOCK PROMISES CONTINUED PRESSURE TO PROTECT TRADING RIGHTS

THE HAGUE, Netherlands, June 4--Secretary of Agriculture John R. Block said today that the United States will "keep the pressure on" to assure that its agricultural trading rights are respected by the European Community.

At his final stop in a 12-day series of meetings with European officials, Block said: "I think they have heard our position and it has been made very clear.

"We are going to keep lines of communication open. We are going to keep the pressure on to try to get the situation turned around so that we will be successful in protecting this market which is so valuable to us."

The market for U.S. farm products to the European Community exceeds $9 billion a year.

Block met with officials of five EC countries as well as Community leaders in Brussels to express U.S. concerns about restrictive trends contrary to U.S. trading rights. He emphasized U.S. determination to resist any threat to its zero duty binding on soybeans and soybean products and on such non-grain feed ingredients as corn gluten feed and dried distillers grains.

Block also criticized the growing use of export subsidies to dispose of surpluses accumulated under the EC's common agricultural policy. Large quantities of wheat are already being exported under subsidy to foreign customers, including such key U.S. markets as Latin America and China. Block said, "This has the effect of transferring the cost of EC domestic programs to the world marketplace."

In Brussels, Block won assurances from EC Commissioner Poul Dalsager that a U.S. high-quality beef quota of 10,000 tons would be fully honored. The U.S. right to export that amount of high quality beef to the EC had been in question because of a ruling by the General Agreement on Tariffs and Trade (GATT) that Canada was entitled to the same consideration.

Block also met with President Gaston Thorn of the European Community and agriculture ministers in Yugoslavia, Belgium, the United Kingdom, France, West Germany and the Netherlands. In Novi Sad, Yugoslavia, he spoke to the World Food Council, urging other

nations to establish individual grain reserves in order to assure their own food security.

Block returns to Washington late today.

#

KENNETH GILLES TO HEAD USDA'S FEDERAL GRAIN INSPECTION SERVICE

WASHINGTON, June 4--Kenneth A. Gilles, an educator and cereal chemist, has been named as head of the U.S. Department of Agriculture's Federal Grain Inspection Service. He was confirmed by the U.S. Senate today.

The agency he heads was established in 1976 to ensure the accurate weighing and inspection of all grain exported from the United States. It also supervises weighing and inspection of grain intended for domestic use and develops and reviews official grade standards for grain and other commodities.

Gilles is on leave of absence from his post as vice president for agricultural affairs at the University of North Dakota, Fargo. As university vice president since 1969, Gilles was responsible for agricultural, governmental, international and industrial affairs, including the Agricultural Experiment Stations and Extension Service.

Before that, he headed the department of cereal chemistry and technology at the university for nine years. He also taught biochemistry at the University of Minnesota, and worked in the research departments of General Mills and the Pillsbury Co.

Gilles was born in Minneapolis in 1922, attended high school and Augsburg College there and went on to the University of Minnesota for a B.S. degree in chemical engineering. He served in the Navy from 1942 to 1946, and later returned to the University of Minnesota for a Ph.D. degree in agricultural biochemistry.

He has been editor-in-chief of Cereal Chemistry, president of the American Association of Cereal Chemists and is the author or co-

author of more than 100 publications. He has held posts with the National Association of State Universities and Land Grand Colleges and served as consultant to governmental and food processing firms.

Gilles lives in Alexandria, Va.

#

USDA TO HOLD PUBLIC MEETINGS JUNE 23-24 ON ECONOMICS AND STATISTICS PROGRAMS

WASHINGTON, June 4--The U.S. Department of Agriculture will hold public meetings here June 23 and 24 to discuss priorities and possible cuts or redirections in its economics and statistics programs for fiscal years 1982 and 1983 that may be imposed by budget limitations.

Assistant Secretary of Agriculture for Economics William Lesher said he wants recommendations from people who use statistics, research and analyses from USDA's Economics and Statistics Service concerning what areas could be reduced or eliminated based on the relative value of these programs to the public.

The meetings will be held in room 330, 500th 12th St., S.W., from 9 a.m. until 4 p.m. The June 23 meeting will cover the agency's statistical programs and the June 24 meeting will cover its economic analysis and research work.

"The Economics and Statistics Service needs to systematically assess its priorities to maintain the quality of its work in light of rising costs and tighter funding constraints," Lesher said.

"We expect one of the tightest budget years we have ever had," he said. "Recommendations from the public meetings will be important in developing our plans for the next two years."

Meeting participants will each have 10 minutes to comment, or they may submit written responses, which will be accepted through July 3.

Those who want to attend either session, want more information about the current programs or want to submit written comments should contact: Kenneth R. Farrell, administrator, Economics and Statistics Service, USDA, Room 448-GHI Bldg., Washington, D.C., 20250. Phone: (202) 447-8104.

#

BLOCK ANNOUNCES FSQS-AMS REORGANIZATION

WASHINGTON, June 5--Secretary of Agriculture John R. Block today announced that the Food Safety and Quality Service will be transferred to the jurisdiction of Assistant Secretary C. W. McMillan. FSQS and the Agricultural Marketing Service will then be reorganized to emphasize the department's marketing functions.

Under the reorganization, the commodity services program will move from FSQS to AMS, where it was located prior to 1977. The Packers and Stockyards Administration, currently a part of AMS, will become a separate agency. A search is currently underway for an administrator.

Under the authority of the Agricultural Marketing Act, commodity services provides voluntary grading service on a fee basis and develops grade standards for meat, poultry, eggs, dairy products, and fresh, canned, frozen and dried fruits and vegetables.

Block said "This streamlining effort serves to underscore the administration's dual commitment to market development and food safety. We will be able to seek new markets for the country's farmers, processors and marketers, and still guarantee that consumers here and abroad enjoy the benefits of safe, high-quality foodstuffs."

AMS, under Administrator Mildred Thymian, will continue to develop new market outlets and facilitate price determination and transactions. FSQS, under Administrator Donald L. Houston, will become the Food Safety and Inspection Service, and will have the responsibility for assuring that meat and poultry products which move into interstate and foreign commerce are safe and properly labeled.

Block said, "The inclusion of the commodity services in AMS fulfills that agency's role in marketing. At the same time, FSIS will be able to concentrate on its traditional role of assuring consumers a safe and wholesome supply of meat, poultry and eggs.

"P&SA will continue to enforce provisions of the Packers and Stockyards Act. The act is a fair practices law which promotes fair and open competition in the marketing of livestock, meat and poultry."

#